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**OFFICE OF THE CLERK OF COURT  
PARISH OF ORLEANS,  
CRIMINAL DISTRICT COURT**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date \_\_\_\_\_

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING  
AGREED-UPON PROCEDURES**

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**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES**

Mr. Edwin Lombard, Clerk  
Office of the Clerk of Court  
Parish of Orleans, Criminal District Court

At your request, we have performed the procedures included in the *Louisiana Governmental Audit Guide* as enumerated below, which were agreed to by the management of the Office of the Clerk of Court; Parish of Orleans, Criminal District Court and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertion about the Office of the Clerk of Court, Parish of Orleans, Criminal District Court's compliance with certain laws and regulations during the year ended December 31, 1998 that are included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**PUBLIC BID LAW**

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$15,000 and no expenditures were made for public works exceeding \$100,000.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
CONTINUED**

**CODE OF ETHICS FOR PUBLIC OFFICIALS  
AND  
PUBLIC EMPLOYEES**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with a list of the immediate family members of the Clerk of Criminal District Court and a list of the outside business interests of the Clerk of Court and employees of the Office of the Clerk of Court, as well as their immediate families.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with a listing of all employees paid during the period under examination.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees, which was provided by management in agreed upon procedures number three (3) appeared on the list provided by management in agreed upon procedure number two (2).

**BUDGETING**

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
CONTINUED**

**BUDGETING, CONTINUED**

6. Trace the budget adoption and amendments to the minute book.

We verified the adoption of the Office of the Clerk of Court's budget by the City Council of the City of New Orleans. The budget of the Office of Clerk of Court is included in the overall budget of the City of New Orleans.

7. Compare the appropriation and expenditures of the final budget to actual revenues and expenditures paid by the City of New Orleans for the Clerk of Court to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted amounts by 5% or more.

We compared the appropriation and expenditures of the final budget to the actual appropriation and expenditures. The actual appropriation and expenditures for the year did not exceed budgeted amounts by five percent (5%) or more. The Office of Clerk of Court receives an appropriation from the City of New Orleans for operating costs.

**ACCOUNTING AND REPORTING**

8. Randomly select six (6) disbursements made during the period under examination and:
- A. Trace payments to supporting documentation as to proper amount and payee;
  - B. Determine if payments were properly coded to the correct fund and general ledger account; and
  - C. Determine whether payments received approval from proper authorities.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
CONTINUED**

**ACCOUNTING AND REPORTING, CONTINUED**

We examined supporting documentation for each of the selected six (6) disbursements and found that:

- o The payments were for the proper amount and made to the correct payee;
- o The payments were properly coded to the correct fund and general ledger account; and
- o The payments received approval from the proper authorities.

**MEETINGS**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Office of the Clerk of Court did not hold any meetings that required the related agendas to be posted or advertised as stipulated by LSA-RS 42:1 through 42:12.

**DEBT**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips and related supporting documentation for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or like indebtedness.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING AGREED-UPON PROCEDURES  
CONTINUED**

**ADVANCES AND BONUSES**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of correspondence from management indicated no approvals were granted for the types of payments noted. We also inspected payroll and cash disbursement records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Our prior year report, dated April 24, 1998, did not include any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

\*\*\*\*\*

This report is intended solely for the information and use of management of the Office of the Clerk of Court Parish of Orleans, Criminal District Court and the Legislative Auditor, State of Louisiana, and is not intended to be used and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

*Bruno & Tervalon*  
**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

June 28, 1999

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

June 28, 1999 (Date Transmitted)

Bruno & Tervalon, Certified Public Accountants  
650 So. Pierce Street - Suite 203  
New Orleans, LA 70119  
(Auditors)

In connection with your compilation of our financial statements as of 12/31/98 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 28, 1999

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [] No [  ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No [  ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [] No [  ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No [  ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

(Not Applicable) Yes [ ] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [] No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

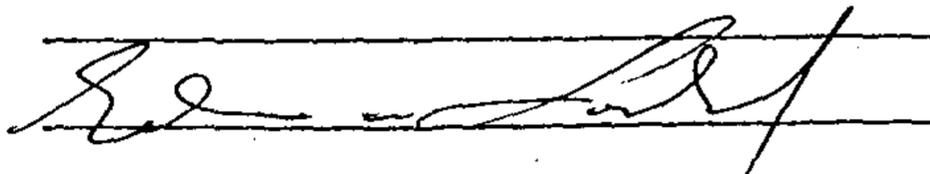
Yes [] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

\_\_\_\_\_ Secretary \_\_\_\_\_ Date

\_\_\_\_\_ Treasurer \_\_\_\_\_ Date

 Clerk of Court 8/30/85 Date

**THE CLERK OF THE CRIMINAL DISTRICT COURT**  
**ORLEANS PARISH**  
**STATUS OF OUTSTANDING DECEMBER 31, 1995 REPORTABLE CONDITIONS, FINDINGS**  
**AND MANAGEMENT LETTER COMMENTS**  
**AS OF JUNE 28, 1999**

No.	Description	Status at February 28, 1998	Management's Assertion of Current Status as of June 28, 1999	Auditors' Findings and Comments	Current Status
3. d.	<p><b>Reportable Conditions</b></p> <p><b>CASH DISBURSEMENTS</b></p> <p>Custody of checks after signature and before mailing were not handled by an employee independent of certain other functions.</p>	<p>The Financial Control Systems and Procedures manual stipulates that after signature, checks are to be forwarded to a secretary, independent of certain other functions, for packaging and mailing.</p>	<p>The Financial Control Systems and Procedures manual stipulates that after signature, checks are to be forwarded to a secretary, independent of certain other functions, for packaging and mailing.</p>	<p>Our review of the Financial Control Systems and Procedures manual confirmed that procedures have been established, as stated, regarding custody of checks after signature and before mailing. Prior to the last date of fieldwork we observed the utilization of such procedures.</p>	Resolved
5. a.	<p><b>Findings</b></p> <p><b>COMPLIANCE WITH LAWS AND REGULATIONS</b></p> <p>LSA - R.S. 13:1031 and 13:752 Bond payable to the Governor with two good and solvent sureties.</p>	<p>Management has actively pursued a second surety, but has been unsuccessful in identifying an underwriter willing to accept the potential exposure. Management has contacted members of the State Legislature regarding an amendment to this requirement.</p>	<p>Management has indicated that the State Legislature has amended this requirement.</p>	<p>Management was unable to provide us with the related revised statute.</p>	Unresolved
b.	<p>LSA - R.S. 13:1032 Sureties shall be residents of Orleans parish.</p>	<p>Management has actively pursued a surety having residence in Orleans parish, but has been unsuccessful in identifying an underwriter residing in Orleans parish willing to accept the potential exposure. Management has contacted members of the State Legislature regarding an amendment to this requirement.</p>	<p>Management has indicated that the State Legislature has amended this requirement.</p>	<p>Management was unable to provide us with the related revised statute.</p>	Unresolved
6. b.	<p><b>CASH DISBURSEMENT TRANSACTIONS</b></p> <p>Documentation for credit card purchases was not supported.</p>	<p>Management was in the process of improving procedures surrounding travel and credit card purchases.</p>	<p>Management has developed and implemented procedures to ensure that credit card purchases are properly supported.</p>	<p>We examined a sample of recent credit card payments noting that the disbursement was approved via a "credit card disbursement form". However the disbursement was only supported by the credit card statement with no other supporting documentation being maintained (i.e. credit card receipts, vendor receipts, etc.).</p>	Unresolved

**THE CLERK OF THE CRIMINAL DISTRICT COURT**  
**ORLEANS PARISH**  
**STATUS OF OUTSTANDING DECEMBER 31, 1995 REPORTABLE CONDITIONS, FINDINGS**  
**AND MANAGEMENT LETTER COMMENTS**  
**AS OF JUNE 28, 1999**

No.	Description	Status at February 28, 1998	Management's Assertion of Current Status as of June 28, 1999	Auditors' Findings and Comments	Current Status
8.	<p style="text-align: center;"><b>MANAGEMENT LETTER COMMENTS</b></p> <p>Service Fees Budgeted.</p>	<p>Management has developed the proposed budget of ancillary service revenues for the 1998 fiscal year. Procedures had not been developed and implemented to incorporate monitoring, revisions and other aspects of budgetary controls for self-generated revenues.</p>	<p>Management has developed procedures to incorporate monitoring, revisions and other aspects of budgetary aspects of budgetary controls for self-generated revenues.</p>	<p>Management has provided us with the related budgets and is currently monitoring the budget for self-generated revenues.</p>	Resolved
9.	<p>Committee of the Governing Body.</p>	<p>It was management's assertion that the Clerk of the Criminal District Court for the Parish of Orleans is an elected official and as such there is no governing body, other than the New Orleans City Council, (by request), to whom he must report.</p>	<p>The auditor's recommendation was that "the Clerk of Court give consideration to the establishment of such a committee....". The Clerk of Court has given consideration to the establishment of such a committee and has determined that the establishment of such a committee is not necessary given the status of the Clerk as an elected official and the Clerk's relationship with the City Council of New Orleans. Therefore we consider this management letter comment resolved.</p>	<p>The Clerk of Court has not established a committee of the governing body as recommended.</p>	Unresolved
10.	<p>Interest Earned on Bond Funds.</p>	<p>It was management's assertion that all funds collected as Clerk's fees, interest earned on invested funds, and any other funds generated by the Clerk's office, (pursuant to LSA R.S. 13:1381.3 and 39:1271) shall be deposited into an expense fund and may be expended for the purpose of defraying the operating expenses of the Clerk's office.</p>	<p>The auditor's recommendation was that "....the Clerk of Court discuss this matter with appropriate representatives of the Criminal District Court and the State of Louisiana to ensure the interest earnings can be utilized for general operating expenditures...". The Clerk of Court has reviewed the various La. Revised Statutes related to the Office of the Clerk of Court noting nothing that prohibits the Clerk's office from utilizing these interest earnings for general operating expenditures. Therefore we consider this management letter comment resolved.</p>	<p>The Clerk of Court has indicated that it will continue to utilize interest earnings on bond funds for general operations. However, in our opinion bond funds and related interest earnings are to be held in trust as established by State statutes.</p>	Unresolved

**Bruno**

CERTIFIED PUBLIC ACCOUNTANTS

**& Tervalon**

**THE OFFICE OF THE CLERK OF THE  
CRIMINAL DISTRICT COURT  
ORLEANS PARISH**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-28-99

**FINANCIAL STATEMENTS**

**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1998  
(UNAUDITED COMPILATION)**

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**& Tervalon**

MICHAEL B. BRUNO, CPA  
ALCIDE J. TERVALON, JR., CPA  
WALDO J. MORET, JR., CPA

**The Office of the Clerk of the  
Criminal District Court-Orleans Parish**  
2700 Tulane Avenue  
New Orleans, LA

We have compiled the accompanying balance sheet of **The Office of the Clerk of the Criminal District Court-Orleans Parish** as of December 31, 1998 and the related statement of revenues, expenditures, and changes in fund balances for the twelve months then ended in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of general purpose financial statements information that is the representation of management. We have not audited or reviewed the accompanying general purpose financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the general purpose financial statements, they might influence the user's conclusions about the organization's financial position and results of operations. Accordingly, these general purpose financial statements are not designed for those who are not informed about such matters.

The accompanying general purpose financial statements have been prepared solely from the cash accounts maintained by **The Office of the Clerk of the Criminal District Court-Orleans Parish**, and do not include any transactions which are processed by the City of New Orleans.

*Bruno & Tervalon*

**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

June 28, 1999

**THE OFFICE OF THE CLERK OF THE  
CRIMINAL DISTRICT COURT-ORLEANS PARISH  
COMBINED BALANCE SHEET  
AS OF DECEMBER 31, 1998**

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ASSETS

	<u>GENERAL FUND</u>	<u>GENERAL FIXED ASSETS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
Cash and cash equivalents	\$379,184	\$ -0-	\$379,184
Accounts receivable	10,740	-0-	10,740
Due from other funds	5,021	-0-	5,021
Due from governmental agencies	5,000	-0-	5,000
General fixed assets	<u>-0-</u>	<u>25,669</u>	<u>25,669</u>
 Total assets	 <u>\$399,945</u>	 <u>\$25,669</u>	 <u>\$425,614</u>

LIABILITIES AND FUND BALANCE

Liabilities

Due to other funds	\$ 5,021	\$ -0-	\$ 5,021
Due to the City of New Orleans	20,934	-0-	20,934
Accounts payable	313	-0-	313
Bonds payable	<u>355,180</u>	<u>-0-</u>	<u>355,180</u>
 Total liabilities	 <u>381,448</u>	 <u>-0-</u>	 <u>381,448</u>

Fund Balances

Fund balances	<u>18,497</u>	<u>25,669</u>	<u>44,166</u>
 Total fund balances	 <u>18,497</u>	 <u>25,669</u>	 <u>44,166</u>
 Total liabilities and fund balances	 <u>\$399,945</u>	 <u>\$25,669</u>	 <u>\$425,614</u>

See Independent Accountants' Compilation Report.

**THE OFFICE OF THE CLERK OF THE  
CRIMINAL DISTRICT COURT-ORLEANS PARISH  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 1998**

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Revenues

Service fees	\$113,407
Court allocation-fines and cost	23,011
State reimbursement-election expenses	27,621
Interest income	7,029
Grant revenue	<u>31,542</u>
Total revenues	<u>202,610</u>

Expenses

Allowances	1,000
Advertising	1,955
Bank charges	624
Computer equipment	10,063
Computer repairs and supplies	322
Convention and travel expenses	5,744
Custodian fee - voter machine	2,200
Dues and subscriptions	3,410
Educational books and pamphlet	751
Equipment	1,091
Insurance	3,813
Janitorial and cleaning supplies	636
Motor vehicle - repair and services	575
Motor vehicle - tolls	315
Office meals and entertainment	2,702
Official business	22,207

See Independent Accountants' Compilation Report.

**THE OFFICE OF THE CLERK OF THE  
CRIMINAL DISTRICT COURT-ORLEANS PARISH  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES, CONTINUED  
FOR THE YEAR ENDED DECEMBER 31, 1998**

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<u>Expenses, Continued</u>	
Office furniture and fixtures	\$ 2,833
Office supplies	37,642
Pager service	557
Postage and freight express	13,135
Printing and binding	27,942
Professional services	2,748
Building rent	5,500
Election facilities rent	8,553
Election equipment and vehicle rent	4,679
Office equipment rent	2,284
Repairs and maintenance	12,686
Supplies and materials	3,307
Telephone - mobile service	5,361
Other	<u>3,500</u>
Total expenditures	<u>188,135</u>
Excess revenues over expenditures	14,475
Beginning fund balances	<u>4,022</u>
Ending fund balances	<u>\$ 18,497</u>

See Independent Accountants' Compilation Report.